SALE OF ARRACK VEND FARMS FOR 1903-04.

Notification No. 441—Ex. F. 7-1902, dated Bangalore, 18th March 1903.

It is hereby notified by the Government of Mysore that the exclusive privilege of selling arrack in the defined tracts specified in the appended schedule for the twelve months beginning with 1st July 1903 and ending with 30th June 1904, will be put up to public auction at upset prices, at the respective taluk kasbas, on the dates mentioned in the said schedule, by the respective Deputy Commissioners, or by Revenue Sub-Division Officers or Divisional Officers of the Excise Department or by Assistant Commissioners specially authorized by the Deputy Commissioners for the purpose. If the sales are not completed on those days, they will be continued on the next following days. Should there be no bids for any of the aforesaid tracts singly, the officer conducting the sale may revise the tracts at discretion, clubbing together more than one tract, or selling the tracts by taluks, or, if necessary, reserving special tracts in which there may at present be no shops, for disposal afterwards. Should there be no bid above the upset price, the officer conducting the sale may lower the upset price at discretion. The condition and character of intending bidders may be enquired into; and the officer conducting the sale may, at the time of sale, refuse to receive the necessary deposit which gives the right to bid, from persons regarding whom the result of such enquiries is not satisfactory. No former lessee, who has been guilty of an infringement of the terms of his lease or of the Excise Laws or Rules, shall be entitled to bid. The officer conducting the sale shall not be bound to accept the highest bid, should he consider it to be so extravagantly high as to afford apprehension of the lease breaking down.

2. The exclusive privilege above described will be put up to auction, farm by farm, and each farm put up to auction will be knocked down to the approved highest bidder, subject to formal confirmation by the Deputy Commissioner, who will be at liberty to accept or reject the bid at discretion without assigning reasons for the same. Such formal confirmation will, *unless revised by Government for special reasons*, be tantamount to an acceptance of the bid.

3. *(a)* Parties intending to bid must attend either in person or by duly authorized agents.

(b) No person will be permitted to bid until he has deposited Rs. 200 for each defined tract or farm, or such other reasonable amount as may be fixed by the officer conducting the sale; (provided that the Government may at any time dispense with such initial deposit). No farm shall be knocked down in the name of more than one person or of more than one company or firm duly represented. The selling officer shall refuse to register as a purchaser any one in whose name the bidding has not proceeded.

(c) The deposits made by unsuccessful bidders, if not forfeited as hereinafter provided, will be returned at the close of the sale.

(d) The successful bidder must, on the farm being knocked down to him, and before the next farm is put up for sale, deposit a sum equal to $\frac{3}{5}$ths of a month's rent.

(e) Within 15 days from the date of confirmation of sale by the Deputy Commissioner, he must deposit such further sum as, with the former deposit, will make up an aggregate sum equal to two months' rent. If he shall be found to be a foreigner having no property in the Mysore State or to be of doubtful solvency, he may be required to deposit twice the prescribed sum, or to get a surety or sureties to execute a security bond for the due payment of all moneys that may become due by him under the terms of the contract.

(f) If he fail to make any of the deposits aforesaid, or to get the requisite surety or sureties, the deposits already made shall be forfeited, the farm shall be immediately re-sold or otherwise disposed of under orders of the Deputy Commissioner, and he shall be debarred from bidding again for the same or for any other farm.

4. Re-sales effected under para 3 shall be at the risk of the defaulting bidder, who shall forfeit all gain, and in the event of a loss by the re-sale, shall make good the deficiency between the total amount payable by him for the whole period under the terms of the original sale and the total amount payable by the successful bidder at the re-sale. In the latter case, the forfeited deposit shall be deducted from the loss arising from the re-sale; and the remainder, if any, shall be recovered from the bidder in the same manner as if it were an arrear of land

*NOTE.—For Schedule, see *Mysore Gazette* Supplement, dated 26th March 1903.

revenue. Should, however, the forfeited deposit be greater than the loss by re-sale, the whole of such deposit shall be credited to Government.

5. The purchaser of the exclusive privilege of vend in each defined tract shall sign an agreement binding himself and so much of his movable and immovable property as may be deemed sufficient by the Deputy Commissioner for the due fulfilment by the purchaser of the terms of his agreement; and the agreement shall be executed within ten days of the expiry of the period of fifteen days above mentioned. If the purchaser fails or refuses to sign the agreement, all deposits already made shall be forfeited; and the exclusive privilege shall be re-sold at the risk and loss of the first purchaser as set forth in paras 3 and 4, or be otherwise disposed of. In the case of the purchaser's death after confirmation of the sale, it shall be binding on his heirs or assigns.

6. The details of consumption of arrack in the shops of the existing farms and at depots, the amount of rental of each farm, etc., for several years past are specified in the appended schedule.

7. As soon as the agreement has been executed, the Deputy Commissioner shall issue a license in the prescribed form, assigning to the purchaser the exclusive privilege referred to therein, subject to the following conditions:—

(1) The exclusive privilege shall extend only to the sale of arrack ordinarily of 20° U. P. and with the special permission of the Deputy Commissioner or other officer authorized by him, to the sale of arrack of 30° under-proof. But it shall not extend to the sale of double-distilled or rectified country spirits and other special liquors, such as brandy, whisky, gin, etc., manufactured at the Government Central Distillery, Bangalore, and which the foreign-liquor shop-keepers alone are permitted to sell at the prices fixed by themselves.

(2) The amount for which the privilege has been purchased shall be payable into the local Taluk Treasuries on printed chellans in equal monthly instalments commencing from July 1903. Each instalment shall be regarded as the rent for the month in respect of which it is payable. The licensee is not required to make any additional payment on account of local cess. Each month's rent shall be payable on or before the 20th of the same month. If default is made, the Amildar may, with the sanction of the Deputy Commissioner, declare, by record in writing, that the license is forfeited, and proceed to re-sell the farm as soon after the last day of the month as may be possible. Provided, however, that instead of re-selling the farm as above, the Deputy Commissioner may, in his discretion, direct the Amildar to break up the defaulting farm into the existing number of shops within it and to give each separate shop-keeper a license for the rent he agrees to pay, provided the total of such rents is not less than what the defaulting farmer had agreed to pay.

(3) (*a*) The deposit made by the licensee shall be taken in payment of the instalments due in the last two months of the period of the farm. Provided, however, that where the farm is re-sold or broken up under the provisions of sub-clause (2) above, the deposit shall, at the discretion of the Deputy Commissioner, be either forfeited or be appropriated towards the arrears due by the defaulter, as well as towards the deficits, if any, arising from the re-sale of the farm. The balance of such arrears and deficits, if any, shall be recoverable from the licensee under the rules in force for the recovery of arrears of land revenue. No remission or abatement of the rent or compensation shall, on any account whatever, be claimable by the licensee.

(*b*) Interest at 6 per cent per annum shall be recoverable on all arrears from the date of default, and on deficits from the date of re-sale.

(4) (*a*) The licensee shall purchase molasses arrack at 8½ annas per gallon of 20° U. P. from Messrs. Arbuthnot & Co. of Madras, who have been appointed manufacturers of arrack and other country spirits to the State, or from any Bonded Depot established under the sanction of Government. The licensees of the vend farms in the taluks of Chikmagalur, Koppa, Mudgere, Tarikere, Manjarabad and Belur

and such other taluks as may be ordered by the Excise Commissioner, can also purchase jaggory arrack from Bonded Depots in duly corked sealed bottles at Rs. 6-2-6 (including duty with local cess, *viz.*, Rs. 4-12-0) per gallon of 20° U. P., and sell such bottles only to respectable individuals at Rs. 7-7-0 per gallon of 20° U. P. or Rs. 1-3-10 per reputed quart bottle.

(*b*) The rate payable as above for molasses arrack shall be in addition to excise duty which shall be prepaid into the Taluk Treasury or into any other Government Treasury with the permission of the Deputy Commissioner as per following condition (5), at Rs. $4\frac{3}{4}$ (including local cess) per gallon of 20° U. P. and proportionately for lower strengths, before the removal of the arrack from the Distillery, or from any Bonded Depot established under the sanction of Government.

(*c*) The licensee shall sell molasses arrack to the public at Rs. 6-6-0 per gallon of 20° U. P. (*i.e.*, at annas 2 per dram, which is equal to $\frac{1}{32}$nd part of a gallon) and at proportionate rates for lower strengths.

(5) (*a*) The licensee who obtains his supplies of arrack in his own vessels direct from the Distillery shall pay the above duty into the Taluk Treasury and obtain a receipt in the prescribed form. On production of such receipt and an indent for the supply of the arrack covered by the receipt, and on payment of the price of such arrack at the aforesaid rates to the manufacturers or their agent, obtaining a receipt from him therefor, the officer in charge of the Distillery shall issue the quantity of arrack covered by the amount of duty shown in the Treasury receipt, and he shall forward the Treasury receipt to the Excise Commissioner's office under his endorsement as to the date and hour when the arrack was issued; and he shall issue a rahadari in the prescribed form for the transport of arrack from the Distillery.

(*b*) The licensee who gets his supplies from a Bonded Depot, shall pay both the price and duty into the Taluk Treasury and obtain a receipt in the prescribed form. On production of such receipt and an indent for the supply of the arrack covered by the receipt, the Bonded Depot-keeper shall issue the quantity of the arrack covered by the amount of price and duty shown in the Treasury receipt, which shall be dealt with as laid down in the last preceding clause.

(*c*) The arrack issued to the licensee's shops shall be covered by the prescribed permits.

(6) The licensee who obtains his supplies of arrack from a Bonded Depot will not be required to open his own depot, or to provide himself with his own casks. In such cases the Government transporting contractor, his agent or servants shall convey such licensee's supplies of arrack from the Distillery, and deliver the same to him or to the shop-keepers under him in the said Bonded Depot. Provided, however, that in the event of the licensee pre-paying the duty and price of the whole contents of any casks received from the Distillery, he will be at liberty to distribute the whole quantity at once to his shops, or to remove it in his own vessels to any depot, which he may open within his farm under the Deputy Commissioner's license, and issue therefrom the requisite supply to his shops. He shall be bound to keep in the Bonded Depot or in his own depot, if any, such stock of arrack as may be ordered by the Excise Commissioner.

(7) With the consignments of arrack from the Distillery or Bonded Depot to Farm Depots as well as with those from Farm Depots or Bonded Depots to shops, sample bottles shall be issued in such manner as may be ordered by the Excise Commissioner. The arrack kept in Farm Depots or issued therefrom to shops, as well as the arrack kept in shops or sold therefrom to the public, shall be of the same quality and strength as issued from the Distillery or Bonded Depot, and shall not be adulterated or diluted in any manner whatever.

(8) The licensee shall keep true accounts of the quantity and strength of the arrack purchased by him and issued to shop-keepers. The rahadaris or passes issued

with the arrack purchased by him shall be subject to examination and check under the rules in force or which may be issued by Government from time to time.

(9) The arrack shall not be sold except in shops duly licensed by the Deputy Commissioner in the prescribed form, and no new shops shall be opened without the previous sanction of the Excise Commissioner.

(10) The Deputy Commissioner may, whenever he thinks fit, direct any shops to be closed, or permit transfers of shops from one place to another.

(11) The licensee shall not, during the term of the license, have any interest in the exclusive privilege of vending toddy in any part of the taluk within which his farm is situated, nor permit any person having interest in the exclusive privilege of vending toddy in any part of the taluk, to hold any share or interest in his exclusive privilege of selling arrack; nor shall he, during the term of his license, without the written permission of the Excise Commissioner, have any interest, direct or indirect, in any arrack farm in any districts of the Madras or Bombay Presidency under the British Government or any other Foreign State or Territory.

(12) The licensee shall be bound to take over any arrack which may remain as stock in hand belonging to the out-going farmer on the 1st July 1903 in the Bonded Depot or in his Farm Depot, or in his shops, paying to the out-going farmer such compensation for the same as may be fixed by the Excise Commissioner.

(13) The licensee shall be bound by the provisions of the Excise Laws in force, and by any additional rules which may from time to time be prescribed under the Excise Laws. The licensee shall use such measures as may from time to time be prescribed by Government, and provide himself with the prescribed forms of accounts and permits or passes for the transport of arrack, which forms shall be purchased from the local Excise officers.

(14) The farms shall not be transferable except with the permission of the Excise Commissioner.

(15) The Deputy Commissioner shall grant to each shop under the licensee a license in the prescribed form.

(16) Resignations of farms in whole or part shall be summarily rejected by the Deputy Commissioner.

8. In case of any breach of the aforesaid conditions or of the license either by the licensee or, with his connivance or privity, by any person in his employment, or in the event of the licensee neglecting to open his shops or to carry on the business of his farm with due care and attention, it shall be competent to the Deputy Commissioner to impose upon the licensee a fine not exceeding the sum of Rs. 50 for every such breach or for such neglect or at the option of the Deputy Commissioner to declare the money deposited with him forfeited and to cancel the license, and re-sell the exclusive privilege or to otherwise dispose of it, at the risk of the licensee, or to place the farm under the management of Government; and all loss thereby caused, together with all losses accruing to Government in consequence of the licensee's neglect to carry on his business by opening his shops on 1st July 1903, shall be made good by the licensee. When a farm is cancelled, the rent for the whole period of the farm shall become due at once. All such amounts of penalties and losses shall be recovered in the same manner as if they were the arrears of land revenue.

9. The imposition of a fine or the forfeiture of deposit or the cancellation of the license under the last preceding condition shall not be held to prevent the prosecution of the licensee or his agents or employees for any offence punishable under the Excise Laws or other law for the time being in force.